

Rewald Trial Looks at His Expenditures

By Charles Mamminger
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The government moved from presenting CIA evidence yesterday to how Ronald Rewald spent some of the millions of dollars invested in Bishop, Baldwin, Rewald, Dillingham & Wong.

Felix Weyle, a construction contractor, described how he made luxurious renovations to Rewald's downtown office and a Waimanalo ranch.

He said Rewald was "very pleased" with the \$50,000 face-lift done for Rewald's 30th floor office in the Grosvenor Center. That renovation included construction of an \$8,000 rock and fiberglass waterfall, and installation of deep plush carpeting and \$30,000 in furniture.

The government contends the renovations were made with investors' money. Rewald claims that the CIA wanted him to project a wealthy image in portraying himself as an international businessman.

Whatever the case, Rewald spared no expense in surrounding himself with luxury, according to Weyle. That included putting white, plush carpeting in the Waimanalo ranch house, against the advice of Weyle.

WEYLE SAID that when he walked through the Waimanalo property with Rewald, what he saw was a "rundown, roach-infested" area with a broken down A-frame house and a few shacks.

From 1982 until the collapse of Bishop, Baldwin, Rewald, Dillingham & Wong in July 1983, Rewald pumped \$480,000 into the ranch.

That included rebuilding the A-frame house and a clubhouse and completely renovating the horse stables, Weyle said. He said the polo field also was improved and an "old-English" style gate was built with pillars and wrought-iron, complete with Rewald's initials.

Earlier yesterday, a CIA security clearance officer testified that if the CIA wanted Rewald to set up and staff a proprietary corporation, it would have conducted a full background check on him.

Instead, the CIA conducted only a shallow investigation and overlooked Rewald's Wisconsin theft conviction.

Rewald claims that BBRD&W was a CIA proprietary, or a company set up solely for use by the agency.

THE CIA denies that. It says that Rewald only provided "light cover" for a number of agents by providing telephone and telex "backstopping."

Mitchell Lawrence, a CIA security officer, said Rewald was cleared to provide backstopping despite an FBI check that turned up his conviction of selling unregistered sports franchises.

He said it was a case of "low-risk, high-gain" in using Rewald.

Lawrence admitted that he had written an internal CIA memorandum in which he said that it was "unsound to proceed" with Rewald and that Rewald's theft conviction might only be "the tip of the iceberg."

But because the need for cover was urgent, he agreed that Rewald be cleared.

That clearance allowed Rewald to receive secret information and use his company, CMI Corp., as a cover for Charles Richardson, a covert CIA agent operating out of the West Coast.